



UNITED STATES MARINE CORPS

MARINE CORPS BASE
PSC BOX 20004
CAMP LEJEUNE, NORTH CAROLINA 28542-0004

BO 5300.7B

BMWR

05 OCT 1998

BASE ORDER 5300.7B

From: Commanding General
To: Distribution List

Subj: PERSONAL CHECKS FOR NONAPPROPRIATED FUND ACTIVITIES

Ref: (a) UCMJ, Art 123
(b) UCMJ, Art 123A
(c) North Carolina General Statute 14-107 (NOTAL)
(d) Title 18, U.S. Code, Sec 13 (Assimilative Crimes Act)

Encl: (1) Check Cashing Privilege Suspension Policy
(2) Notification of Returned Check
(3) Notification of Returned Check/Endorsement Letter/
General Information Concerning Dishonored Checks

1. Purpose. To publish the policy and procedures relative to the processing and redemption of personal checks.

2. Cancellation. BO 5300.7A.

3. Summary of Revision. This Order contains a substantial number of changes and should be reviewed in its entirety.

4. Information

a. Reference (a) establishes forgery of checks as a military offense and reference (b) establishes the writing or presenting of a check without sufficient funds as a military offense. Reference (b) further provides that failure to redeem a dishonored check within five working days of notice, oral or written, is proof of intent to defraud. Reference (c) establishes the presenting of worthless checks as a misdemeanor which when committed aboard a Federal Reservation becomes a federal offense by virtue of reference (d), the Assimilative Crimes Act. Civilians and dependents may be tried by the U.S. Magistrate in the Federal District Court.

05 OCT 1998

b. Each year nonappropriated fund activities aboard the Base incur losses due to returned personal checks which are not re-deemed.

c. Active duty personnel who continually abuse the system can be court-martialed and/or receive a discharge under other than honorable conditions.

5. Acceptance of Personal Checks

a. Acceptance of personal checks at nonappropriated fund activities is a privilege extended for the convenience of patrons, since adequate banking facilities exist locally.

b. Nonappropriated fund activities shall accept personal checks made payable to Morale, Welfare and Recreation (MWR) Activity.

c. Personal checks accepted by nonappropriated fund activities must contain the following information on the front of the check:

(1) Name of person cashing check (drawer) and sponsor's name, if applicable, to include grade and last name, first name, middle initial.

(2) Social security number of the sponsor.

(3) Unit address or local home address.

(4) A local telephone number at which the drawer or sponsor can be reached.

d. Presentation of Identification (ID) Cards will be requested, except for officers and staff noncommissioned officers in uniform. Social security numbers (SSN) will be used to validate a patron's check against established and manual dishonored check lists. The SSN must be taken from an ID card and matched to the SSN on the check. Expiration dates on ID cards will be observed.

e. Military personnel, active duty or retired, will be held responsible for redemption of personal checks written aboard Base that originate from accounts where they have either sole or joint responsibility for the account.

6. Dishonored Personal Checks

a. A personal check shall not be accepted in redemption of a dishonored check.

05 OCT 1998

b. The nonappropriated fund activity is authorized to charge a total fee of \$25, which includes the \$19 service fee and a \$6 bank fee. In cases where a banking facility commits an error, no charge will be levied against the drawer, provided the drawer renders written documentation to the Command Inspector that the returned check was caused by a banking error.

7. Forgery. In the event a check, accepted by an activity, is returned dishonored and written allegation of forgery arises, the Criminal Investigation Division of the Provost Marshal's Office will be promptly notified. If the identity of the originator (forger) of the check can be established, the procedures prescribed in paragraph 8 of this Order will be used to recover losses. In no case shall the check in question be released to anyone except the proper military authority.

8. Suspension of Privileges

a. When a personal check is returned as a dishonored check, the maker of the check is immediately placed in an indefinite suspension of privileges status until the check is redeemed. The total redemption amount includes the payment of the dishonored check and the established fee for the check.

b. After the check has been redeemed, the indefinite status will be removed and privileges will be restored in accordance with the penalties listed in enclosure (1).

9. Action

a. When a personal check is returned unpaid by the financial depository, written notification (enclosure (2)) will be forwarded to the individual as notification of a dishonored check.

b. If the dishonored check was caused by an accounting error on the part of the financial agency, the sponsor or drawer concerned should obtain a letter from the financial agency acknowledging the error and bring the letter personally to the Command Inspector's office. After approval from the Command Inspector, the sponsor or drawer concerned will present the approved financial agency letter to the MWR Account Payments office. This must be accomplished within 24 hours after approval from the Command Inspector. After reimbursement of the dishonored check, the service charges will be waived including the return of any service charges paid to the MWR Account Payments office prior to obtaining the financial agency letter. The checks associated with that particular incident will be removed from the individual's dishonored check record.

05 OCT 1998

c. If an active duty or retired drawer is notified and voluntary redemption of the dishonored check is not made, within 30 days from the notification date, the MWR Account Payments office is authorized to initiate a pay checkage. Incidents involving civilians and dependents will be forwarded to the U.S. Magistrate for prosecution in the Federal District Court or to a Commercial Collection Agency contracted by the MWR Activity.

(1) Active Duty Military Personnel

(a) Enclosure (3) will be used to notify the individual's commanding officer when dishonored checks are not redeemed within 15 days of notification.

(b) Commanding officers will further advise the individuals with dishonored checks that, subject to the status of the individual's pay account, after 30 days of the notification date, a pay checkage can be authorized to redeem the total amount of the dishonored checks. A pay checkage will include the original check amount plus any associated returned check service charges, and an automatic suspension of check cashing privileges for one year.

(c) If the account is closed and the drawer has transferred from Camp Lejeune, the MWR Account Payments office will advise the individual's new command of the indebtedness, or attempt collection through the home address if the drawer has been discharged or released from active duty.

(2) Civilian Employees. If the drawer concerned does not redeem the dishonored check within 15 days and/or continues to issue dishonored checks, the MWR Account Payments office shall request, in writing, that the Staff Judge Advocate's office file a complaint against the subject individual with the U.S. Magistrate. A Commercial Collection Agency may be used by the MWR Activity.

(3) Retired or Separated Personnel. If retired or separated personnel and/or their dependents do not redeem a dishonored check within 15 days and/or continue to issue dishonored checks, the MWR Account Payments office shall request, in writing, that the Staff Judge Advocate's office file a complaint against the subject individual with the U.S. Magistrate. Pay checkages or the use of a Commercial Collection Agency is authorized to redeem any dishonored checks.

05 OCT 1998

(4) Military Dependents. A copy of the written notification will be provided to the sponsor, via his commanding officer. If the account is closed and the drawer's sponsor has been transferred from Camp Lejeune, the MWR Account Payments office will advise the sponsor's new command of the indebtedness, or attempt collection through the home address if the sponsor has been discharged or released from active duty. If the check is not redeemed, the MWR Account Payments office shall request, in writing, that the Staff Judge Advocate's office file a complaint against the subject individual with the U.S. Magistrate. A Commercial Collection Agency may be used by the MWR Activity.

d. Dishonored checks written aboard the Base at an exchange, club, recreation facility or any other nonappropriated fund activity can be redeemed at the MWR Account Payments office located in Building 895, (Molly Pitcher Road).

e. Command Inspector will:

(1) Monitor records based on data input from the MWR Account Payments office on worthless checks received.

(2) Approve financial agency letters.

(3) Process forgery notices from NIS.

(4) Process appeals for restoration of check-cashing privileges.

f. Assistant Chief of Staff, MWR will:

(1) Process dishonored checks tendered at nonappropriated fund activities at Marine Corps Base, Camp Lejeune and Marine Corps Air Station, New River.

(2) Enter transactions on a daily basis to maintain the automated dishonored personal check system.

(3) Provide MWR activities and the Command Inspector with a biweekly dishonored check listing.

(4) Notify military personnel, civilian employees, retired/separated personnel, and military dependents of their dishonored checks by written notification.

05 OCT 1998

(5) Initiate pay checkages for military personnel, if payment for a dishonored check has not been received within 30 days of notification. Forward cases to the U.S. Magistrate for prosecution in the Federal District Court or use a Commercial Collection Agency for civilians, dependents, and individuals separated from the service.

(6) Maintain a historical file on suspensions.

(7) Endorse check-out forms for military personnel separating from Camp Lejeune.

10. Appeals. Appeals for restoration of check-cashing privileges will be made in writing, addressed to the Commanding General, Marine Corps Base, (Command Inspector) via the chain of command.

11. Concurrence. This Order has been coordinated with and concurred in by the Commanding Generals, II Marine Expeditionary Force Command Element; 2d Force Service Support Group; and the Commanding Officer, Marine Corps Air Station, New River.

12. Reserve Applicability. This Order is applicable to the Marine Corps Reserve.


B. A. GOMBAR
Chief of Staff

DISTRIBUTION: A

05 OCT 1998

CHECK CASHING PRIVILEGE SUSPENSION POLICY

1. A temporary suspension is imposed, until such time as all dishonored checks and service charges are paid, for any patron who fails to redeem a check within 15 days after notification that the check was not honored.
2. A six month suspension is imposed for any patron who cashes two or more dishonored checks in a 15-day timeframe after twice having been placed on the dishonored check list during the preceding year.
3. A one year suspension is imposed for any patron who:
 - a. Cashes a dishonored check drawn on a nonexistent or closed account;
 - b. Cashes a dishonored check while on suspension;
 - c. Has dishonored check(s) redeemed as a result of nonpayment through the pay checkage process; or
 - d. Is convicted of larceny, fraud, forgery, or any other actual or attempted bad check offense, or is held liable in a civil action as a result of any dishonored check written to an agency, instrumentality, or activity of the United States.

ENCLOSURE (1)

05 OCT 1998

NOTIFICATION OF RETURNED CHECK

MORALE, WELFARE AND RECREATION
(ATTN: MCPT)
1401 WEST ROAD
CAMP LEJEUNE, NORTH CAROLINA 28547-2539

01/31/98

FROM: ACCOUNT PAYMENT SUPERVISOR
TO: LCPL JOHN SMITH
1ST BN 2D MAR
2D MARINE DIVISION
CAMP LEJEUNE, NC 28542

SSN# 888-88-8888

SUBJ: NOTIFICATION OF RETURNED CHECK

ENCL: (1) COPY OF YOUR RIGHTS

1. THIS IS TO NOTIFY YOU THAT YOUR CHECK NUMBER 2741 IN THE AMOUNT OF \$150.00 HAS BEEN RETURNED UNPAID FROM YOUR BANK.
2. YOU ARE REQUIRED TO REDEEM THE CHECK PLUS PAY A \$25.00 SERVICE CHARGE WITHIN SEVEN DAYS FROM THE DATE OF THIS LETTER.
3. FAILURE TO REDEEM CHECKS WILL RESULT IN THE SUSPENSION OF YOUR CHECKING PRIVILEGES ABOARD THIS BASE. FOR MILITARY PERSONNEL, THE FAILURE TO REDEEM CHECKS MAY RESULT IN THE CHECKAGE OF PAY, SEE THE ENCLOSURE.
4. SHOULD YOU HAVE A QUESTION CONCERNING THIS MATTER, PLEASE CALL J. CHASE AT 910-451-5585.
5. IF PAYMENT HAS ALREADY BEEN MADE, PLEASE DISREGARD THIS LETTER.

L. F. WELLINGTON

ENCLOSURE (2)

BO 5300.7B
05 OCT 1998

NOTIFICATION OF RETURNED CHECK/ENDORSEMENT LETTER/GENERAL
INFORMATION CONCERNING DISHONORED CHECKS

MORALE, WELFARE AND RECREATION
(ATTN: MCPT)
1401 WEST ROAD
CAMP LEJEUNE, NORTH CAROLINA 28547-2539

01/31/98

FROM: ACCOUNT PAYMENT SUPERVISOR
TO: LCPL ERIK W. JONES
1STBN 2DMAR
2DMARDIV FMF
CAMP LEJEUNE NC 28542
VIA: COMMANDING OFFICER

SSN# 888-88-8888

SUBJ: NOTIFICATION OF RETURNED CHECKS

ENCL: (1) COPY OF YOUR RIGHTS

1. THIS IS TO NOTIFY YOU THAT YOUR CHECKS 169, 170, 167, 168, AND 171 IN THE AMOUNT OF \$1000.00 HAVE BEEN RETURNED UNPAID FROM YOUR BANK.
2. YOU ARE REQUIRED TO REDEEM THE CHECKS PLUS PAY A \$125.00 SERVICE CHARGE WITHIN SEVEN DAYS FROM THE DATE OF THIS LETTER. THIS BRINGS THE TOTAL AMOUNT OF OUTSTANDING CHECKS TO \$1,000.00 AND \$125.00 IN SERVICE CHARGES.
3. FAILURE TO REDEEM CHECKS WILL RESULT IN THE SUSPENSION OF YOUR CHECK CASHING PRIVILEGES ABOARD THIS BASE. FOR MILITARY PERSONNEL, THE FAILURE TO REDEEM CHECKS MAY RESULT IN THE CHECKAGE OF PAY, SEE THE ENCLOSURE.
4. SHOULD YOU HAVE A QUESTION CONCERNING THIS MATTER, PLEASE CALL J. CHASE AT 910-451-5585.

ENCLOSURE (3)

BO 5300.7B

05 OCT 1998

5. IF PAYMENT HAS ALREADY BEEN MADE, PLEASE DISREGARD THIS LETTER.

L. F. WELLINGTON

SECOND NOTICE

COPY TO:

COMMANDING OFFICER

1STBN 2DMAR 2DMARDIV FMF

ENCLOSURE (3)

05 OCT 1998_____
(Date)

FIRST ENDORSEMENT

From: _____

To: Supervisor, Account Payments Office, Fiscal Branch,
Comptroller Division, Morale, Welfare and Recreation,
Marine Corps Base, Camp Lejeune

1. Returned.
2. _____ was notified and counseled concerning the dishonored check(s) on _____.
3. It is desired that action be initiated immediately to check SNM's pay for the amount of the dishonored check(s) and appropriate service charges as contained in paragraph 1 of the basic letter.

4. Additional remarks: _____

Note: Please indicate appropriate paragraph, above, by circling the paragraph number.

(Signature)

ENCLOSURE (3)

05 OCT 1998

GENERAL INFORMATION CONCERNING DISHONORED CHECKS

Ref: (a) BO 5300.7B
(b) MCO 7220.49A
(c) MCO 1700.27

1. Per reference (a), failure to redeem a dishonored personal check within seven days of notification may constitute admissible evidence in a trial by courts-martial of intent to defraud or deceive. Additionally, failure to redeem a dishonored check, within the seven day period, will result in the immediate withdrawal of the individual's privileges to issue personal checks to nonappropriated fund government activities.
2. Per references (b) and (c), action will be initiated to collect the amount due the Morale, Welfare and Recreation (MWR) Activity (amount of check(s) plus service charge(s) of \$25.00 each) through military pay checkage, if not paid within 30 days of notification of the dishonored check(s).
3. Dishonored checks are available for inspection at the MWR Account Payments office. Collection efforts are supplemented by use of the U.S. Magistrate and a Commercial Collection Agency. The Collection Agency is a part of a nationwide network for credit reporting. Unredeemed dishonored checks processed through this organization may affect the individual's credit history.
4. In accordance with the references, commanding officers shall counsel individuals regarding their responsibility to make timely restitution and advise them that failure to redeem checks will result in an involuntary pay checkage.
5. Commanding officers are requested to notify the MWR Comptroller Division, Account Payments office when an individual with dishonored checks has been separated from the service, is on appellate leave, is in an unauthorized absence status, or is pending investigation for subject checks. Commands are also requested to provide dates, home of record address, and any other pertinent information to the MWR Account Payments office, Building 895.

ENCLOSURE (3)